

0100321001

SEYFARTH, SHAW, FAIRWEATHER & GERALDSON
ATTORNEYS AT LAW

815 CONNECTICUT AVENUE, N.W.
WASHINGTON, DC 20008-4004
(202) 463-2400
FAX (202) 828-5393

ONE CENTURY PLAZA - SUITE 3300
2029 CENTURY PARK EAST
LOS ANGELES, CA 90067-3063
(310) 277-7200
FAX (310) 201-5219

900 THIRD AVENUE
NEW YORK, NY 10022-4728
(212) 715-9000
FAX (212) 752-3116

101 CALIFORNIA STREET - SUITE 2900
SAN FRANCISCO, CA 94111-5858
(415) 397-2823
FAX (415) 397-8549

455 CAPITOL MALL - SUITE 302
SACRAMENTO, CA 95814-4308
(916) 558-4828
FAX (916) 558-4838

55 EAST MONROE STREET - SUITE 4200
CHICAGO, ILLINOIS 60603-5803

(312) 346-8000
FAX (312) 269-8869

WRITER'S DIRECT DIAL

(312) 269-8930

INTERNATIONAL

AVENUE LOUISE 500, BOÎTE 8
1050 BRUSSELS, BELGIUM
TELEPHONE (32) (2) 647.60.25
FAX (32) (2) 640.70.71

SEYFARTH, SHAW & WONG
80 RAFFLES PLACE
#58-01 UOB PLAZA
SINGAPORE 0104
(65) 532-4588
FAX (65) 532 5711
(65) 532 5722

AFFILIATE FIRMS

MATRAY, MATRAY & HALLET
BRUSSELS AND LIEGE, BELGIUM
COLOGNE, GERMANY

July 22, 1994

VIA OVERNIGHT COURIER

Secretary
Interstate Commerce Commission
Room 2303
Washington, DC 20423

RECORDATION NO. 18892-A FILED 1425

JUL 25 1994 - 10 00 AM

INTERSTATE COMMERCE COMMISSION

Attention: Mrs. Mildred Lee/DOCUMENTS FOR RECORDATION

Re: The CIT Group/Equipment Financing, Inc.

Dear Secretary:

I am an attorney representing a party to the enclosed document. I have enclosed one original of the document described below, and two certified copies, to be recorded pursuant to Section 11303 of Title 49 of the United States Code and the regulations adopted thereto.

The document is Supplement No. 2 to Master Railcar Lease Agreement, a secondary document, dated as of June 1, 1994.

The primary document to which the foregoing document is connected is recorded under Recordation No. 18892.

The names and addresses of the parties to the enclosed documents are as follows:

Lessor: The CIT Group/Equipment Financing, Inc.
1211 Avenue of the Americas
New York, New York 10036

Lessees: The Detroit Edison Company
2000 Second Avenue
Detroit, Michigan 48226

SEYFARTH, SHAW, FAIRWEATHER & GERALDSON

Page Two
July 22, 1994

Midwest Energy Resources Company, Inc.
West Winter Street
P.O. Box 787
Superior, Wisconsin 54880

A description of the equipment covered by the foregoing document follows:

One Hundred Twenty (120) aluminum BethGon Coalporter gondola railcars equipped with rotary couplers, built by Johnstown America in 1994, marked and numbered: ALMX 1001 - 1120 (inclusive).

A fee of \$18.00 is enclosed. Please return any extra copies not needed by the Commission for recordation and the enclosed copy of this letter, each stamped with your recordation number to Stacy Powell-Bennett, Esq., Seyfarth, Shaw, Fairweather & Geraldson, 55 East Monroe Street, Suite 4200, Chicago, Illinois 60603.

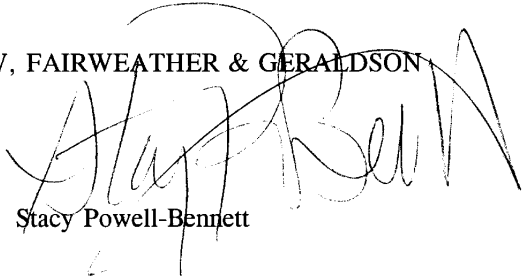
A short summary of the document to appear in the index follows:

Supplement No. 2 to Master Railcar Lease Agreement among The CIT Group/Equipment Financing, Inc., New York, New York, and The Detroit Edison Company, Chicago, Illinois, and Midwest Energy Resources Company, Inc., Detroit, Michigan, dated as of June 1, 1994.

Yours very truly,

SEYFARTH, SHAW, FAIRWEATHER & GERALDSON

By


Stacy Powell-Bennett

SPB/cjp
1017244

Enclosures

cc: Brandon Smith
Timothy White
Richard Demarest Yant
William VanSlingerlandt

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

JULY 26, 1994

STACY POWELL-BENNETT, ESQ
SEYFARTH, SHAW, FAIRWEATHER
& GERALDSON
55 EAST MONROE ST., SUITE 4200
CHICAGO ILLINOIS 60603.

Dear MS. POWELL-BENNETT:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/25/94 at 10:00AM, and assigned recordation number(s). 18892-A

Sincerely yours,

Sidney L. Strickland, Jr.
Secretary

Enclosure(s)

\$ 18.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one stamped on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

Fulidia M. Stokes

JUL 25 1994 -10 00 AM

ILLINOIS STATE COMMISSIONER OF COMMERCE

SUPPLEMENT NO. 2
TO
MASTER RAILCAR LEASE AGREEMENT

THIS SUPPLEMENT is entered into as of June 1, 1994, between THE CIT GROUP/EQUIPMENT FINANCING, INC. ("Lessor") and THE DETROIT EDISON COMPANY and MIDWEST ENERGY RESOURCES COMPANY, INC. (jointly and severally, the "Lessee") pursuant to and in accordance with the Master Railcar Lease Agreement dated as of June 1, 1994 between Lessor and Lessee (the "Lease", the defined terms therein being used herein with their defined meanings).

1. Agreement to Lease. Subject to the terms and conditions of the Lease and the additional terms and conditions of this Supplement, Lessor shall Lease to Lessee and Lessee shall lease from Lessor the railroad rolling stock more fully described on Schedule 1, Part A hereto (referred to in this Supplement as the "Units"). The Term of the lease of the Units shall commence on the first day of the next calendar month beginning after all of the Units have been delivered to Lessee. Lessee shall accept delivery of the Units at the builder's facility in Johnstown, Pennsylvania. Lessee agrees to execute and deliver an Acceptance Certificate on the form attached hereto as Exhibit A as Units are delivered to Lessee. Schedule 1, Part A provides for the Lease Term and the Commodity for the Units.

2. Rent. The Rent for the Units is set forth on Schedule 1, Part B.

3. Stipulated Loss Values. The Stipulated Loss Values for the Units are as set forth on Schedule 2.

4. Lessee Confirmation. Lessee confirms and agrees that:

(a) no Default or Event of Default is in existence as of the date hereof, nor shall any Default or Event of Default occur as a result of the lease by Lessee of the Units specified herein;

(b) all representations and warranties of Lessee contained in the Lease are true and correct as of the date hereof and shall be true and correct as of the Interim Term

Commencement Date set forth on the applicable Acceptance Certificate with the same force and effect as if made on such dates.

(c) Lessee has reviewed the provisions of Section 5 of the Lease disclaiming warranties and acknowledges that it is bound by said provisions.

(d) Lessee has reviewed the provisions of Section 20 of the Lease prohibiting or restricting the assignment or other transfer of its interests in the Lease or the Equipment leased to it and is bound by such provisions as set forth in said Lease. Lessee agrees that said provisions are made "conspicuous" by this paragraph.

(e) Lessee has reviewed the provisions of Section 28(b) of the Lease providing that no provision of the Lease as written may be modified except by a written agreement, and Lessee is bound by such provisions. Lessee's authorized representative has separately initialed this paragraph to evidence Lessee's agreement to be bound by said provisions.

Lessee:

(Please initial here)

MIDWEST ENERGY RESOURCES COMPANY, INC.

THE DETROIT EDISON COMPANY

Handwritten initials 'JE' and a signature 'P.H.' in a circle.

5. Additional Terms.

(a) All Units will be accepted by Lessee at the manufacturer's facility in Pennsylvania, and all transportation expenses from such point will be borne by Lessee.

(b) Rent will continue on all Units subject to this Supplement until all Units described herein are returned as required in Section 6 of the Lease, and the free storage period described in Section 6 of the Lease shall not commence until all Units are so returned.

6. Incorporation of Terms of Lease. All of the terms, provisions and conditions of the Lease are hereby incorporated herein and made a part hereof as if such terms, provisions and conditions were set forth in full in this Supplement. By its execution and delivery of this Supplement, the Lessee reaffirms all of the terms, provisions and conditions of the Lease.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Supplement No. 2 to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

LESSOR:
THE CIT GROUP/EQUIPMENT
FINANCING, INC.

By: Alan B. Stein
Title: SVP
Date: _____

LESSEE:
MIDWEST ENERGY RESOURCES
COMPANY, INC.

By: John G. Carter
Title: President
Date: 7/11/94

THE DETROIT EDISON COMPANY

By: W. J. Gant
Title: Manager, Fuel Supply
Date: July 15, 1994

ACKNOWLEDGMENTS

State of WIS)
County of Douglas) ss.

On this 11 day of July, 1994, before me personally appeared John Ethen, to me personally known, who, being by me duly sworn, did say that he is a President of MIDWEST ENERGY RESOURCES COMPANY, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing Supplement No. 2 to Master Railcar Lease Agreement was the free act and deed of the corporation.

Cindy Tomnessey
Notary Public

My commission expires: 7-23-95

State of Michigan)
County of Washtenaw) ss.

On this 15th day of July, 1994, before me personally appeared Norman H. Barthelme, to me personally known, who, being by me duly sworn, did say that he is a Manager Fuel Supply of THE DETROIT EDISON COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing Supplement No. 2 to Master Railcar Lease Agreement was the free act and deed of the corporation.

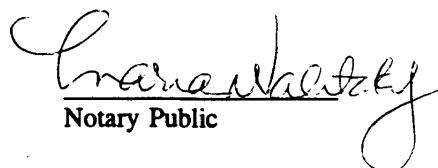
Suzanne E. Kromath
Notary Public

My commission expires: 9-4-94

SUZANNE E. KROMATH
Notary Public, Wayne County, MI
My Commission Expires 9-4-94

State of New York)
County of New York) ss.

On this 20th day of July, 1994, before me personally appeared Kent B. Stein, to me personally known, who, being by me duly sworn, did say that he is a SVP of THE CIT GROUP/EQUIPMENT FINANCING, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing Supplement No. 2 to Master Railcar Lease Agreement was the free act and deed of the corporation.


Notary Public

My commission expires:

MARIAN VALITZKY
Notary Public, State of New York
No. 31-4991572
Qualified in New York County
Commission Expires 2-3-96

SCHEDULE 1

Part A:

Units:

One Hundred Twenty (120) 1994 Johnstown America built 4,400 cubic foot, aluminum BethGon Coalporter gondola railcars with rotary couplers, to be bearing marks ALMX and running numbers 1001-1120 (inclusive).

AAR Mechanical Designation: GT

AAR Car Type Code: J311

Term: 12 calendar months from the Basic Term Commencement Date

Commodity: Coal

Part B:

Rent:

Intentionally removed for filing

SCHEDULE 2

Intentionally removed for filing

EXHIBIT A
TO
SUPPLEMENT NO.2
TO MASTER RAILCAR LEASE AGREEMENT

ACCEPTANCE CERTIFICATE

Interim Term Commencement Date: _____, 1994
Basic Term Commencement Date: The date that is the first day
of the next calendar month beginning after all Units have been
delivered to Lessee.

THIS ACCEPTANCE CERTIFICATE is delivered to THE CIT
GROUP/EQUIPMENT FINANCING, INC. ("Lessor") by MIDWEST ENERGY
RESOURCES COMPANY, INC. and THE DETROIT EDISON COMPANY (jointly and
severally, "Lessee") pursuant to and in accordance with the Master Railcar Lease Agreement
dated as of June 1, 1994 between Lessor and Lessee and the Supplement No. 2 thereto dated
as of June 1, 1994 (the "Lease") (the defined terms therein being used herein with their
defined meanings).

1. The Units covered by this Certificate are described in Schedule 1, and each
Unit was plainly marked with the marks and numbers indicated on Schedule 1, as required
by the Lease.

2. Lessee confirms that:

(a) the Units covered hereby have been delivered to Lessee in Johnstown,
Pennsylvania;

(b) the Units covered hereby have been inspected by Lessee, have been
delivered in good working order and condition, and are of the size, design, capacity and
manufacture required by Lessee;

(c) there was plainly, distinctly, permanently and conspicuously placed in
letters not less than one inch in height on each side of each Unit:

**SUBJECT TO LEASE OR SECURITY INTEREST FILED WITH THE U.S.
INTERSTATE COMMERCE COMMISSION;**

(d) no Default or Event of Default is in existence as of the Interim Term
Commencement Date set forth above, nor shall any Default or Event of Default occur as a
result of the lease by Lessee of the Units specified herein; and

(e) all representations and warranties of Lessee contained in the Lease are
true and correct as of the Interim Term Commencement Date set forth above with the same
force and effect as if made on such date.

3. All of the terms, provisions and conditions of the Lease are hereby incorporated herein and made a part hereof as if such terms, provisions and conditions were set forth in full in this Certificate. By its execution and delivery of this Certificate, the Lessee reaffirms all of the terms, provisions and conditions of the Lease.

IN WITNESS WHEREOF, Lessee has caused this Acceptance Certificate to be duly executed by its duly authorized officer as of the Interim Term Commencement Date set forth above.

LESSEE:

MIDWEST ENERGY RESOURCES
COMPANY, INC.

THE DETROIT EDISON COMPANY

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____

ACKNOWLEDGED AS OF
THE INTERIM TERM COMMENCEMENT
DATE SET FORTH ABOVE

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: _____
Title: _____

ACKNOWLEDGMENTS

State of _____)
) ss.
County of _____)

On this ____ day of _____, 1994, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is a _____ of **MIDWEST ENERGY RESOURCES COMPANY, INC.**, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing Acceptance Certificate was the free act and deed of the corporation.

Notary Public

My commission expires:

State of _____)
) ss.
County of _____)

On this ____ day of _____, 1994, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is a _____ of **THE DETROIT EDISON COMPANY**, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing Acceptance Certificate was the free act and deed of the corporation.

Notary Public

My commission expires:

State of _____)
) ss.
County of _____)

On this ____ day of _____, 1994, before me personally appeared _____
_____, to me personally known, who, being by me duly sworn, did
say that he is a _____ of THE CIT GROUP/EQUIPMENT
FINANCING, INC., that said instrument was signed on behalf of said corporation by
authority of its Board of Directors, and he acknowledged that the execution of the foregoing
Acceptance Certificate was the free act and deed of the corporation.

Notary Public

My commission expires:

SCHEDULE 1

Units:

_____ () 1994 Johnstown America built 4,400 cubic foot, aluminum
BethGon Coalporter gondola railcars with rotary couplers marked ALMX and bearing the
following numbers in series 1001-1120 (inclusive):

[SEE ATTACHED]

AAR Mechanical Designation: GT

AAR Car Type Code: J311

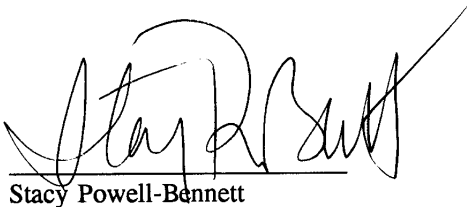
RECORDATION NO. 18892-A FILED 1425

JUL 25 1994 -10 ⁰⁰ AM

CERTIFIED COPY

INTERSTATE COMMERCE COMMISSION

I, Stacy Powell-Bennett, the undersigned affiant, certify and affirm that I have compared the attached copy with the original and have found the copy to be complete and identical in all respects to the original document.



Stacy Powell-Bennett

STATE OF ILLINOIS)
 SS.
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 21st day of July,
1994, by Stacy Powell-Bennett.

Kathleen M. Garner



NOTARY PUBLIC